



John E. Fetzer Memorial Trust

Date: April 2, 2015

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Category: Trust Histories

TO: Rob Lehman, Chair Fetzer Institute
FROM: Lou Leeburg, Chair Fetzer Memorial Trust
RE: March 25 letter
Date: April 2, 2015

We received your letter of March 25, suggesting next steps and consulted with the Trust Board to carefully reflect on and deepen our joint process. We are all serving the same guiding purpose, committed to the same values and working in the spirit of goodwill.

Regarding science and the new story, the Trust will engage in a joint planning process on the role of science in the emerging cultural narrative, focused on the question: “how science can help build the spiritual foundations of a more loving world”. Jan would like to start the process with a synthesis paper that integrates the new spiritual story with science. This *preliminary draft* is necessary to contextualize science in order to suggest key questions and areas of inquiry. It will be delivered by May 31, as a starting point for a subsequent collaboration between Jan and Bob. The science component will include the foundational questions on relational reality raised by the Fetzer Franklin Fund, and go beyond to open discussions about possible applications of science in the new spiritual story. The format for exploring possible applications would best arise from the collaboration.

We are all committed to ensuring that the Fetzer Franklin Fund continue its success. This new work is being joined in addition to the existing work of the Fetzer Franklin Fund. While Jan will use his scheduled vacation time to frame a preliminary draft, the process needs to become sustainable over the intermediate and longer term. The Trust has concerns about Jan’s ability to add new ongoing work, since Jan is also actively designing projects, presenting, and publishing as a scientist in the research funded by the Fetzer Franklin Fund – including immersing himself in the planning of this October’s EmQm2015 global physics symposium. Jan’s involvement in the Fetzer Franklin Fund is crucial for its success. One of the steps in the process could include determining what resources are needed for the Institute to support its parallel, yet complementary science initiatives. In this process, we would like to ensure that The Fetzer Franklin Fund will concurrently continue its successes and maintain its structural integrity. The world class reputation, contacts, and opportunities of the Fetzer Franklin Fund are expanding. The Fund is now supporting Nobel Prize physicists to advance understandings of relational reality. We are excited to develop our common work in science in support the emerging cultural narrative.

Regarding portfolio management, the combined investment teams freely exchange ideas, information and resources to benefit the whole. The Trust portfolio would continue to be

operated as is until the beginning of 2020. At the beginning of 2020, should the Institute elect to merge the Trust endowment with the Institute, the combined investment teams would work on a revised asset allocation for the combined endowment, followed by a review of managers for appropriate fit. The portfolios could then be consolidated on 12/31/2020. The investment team currently consists of Cambridge (specifically Kevin and Kerry), Tina, Lou and Bruce. The team consistently out-performs the endowment median returns over the short and long term. Continued out-performance will depend on solid governance, policy and excellent execution. Once consolidated, the decision about who manages the combined portfolio resides with the Institute. Lou and Bruce will work with the investment team to provide information about best practices in governance to assist the Institute in its board development process.

The benefits of extending the Trust include legacy, science, and financial considerations. They are summarized as: legacy checks and balances, sustaining successful science initiatives in perpetuity, ability to form strategic partnerships at the program level, lower combined payout, lower combined average excise tax, potential for flexibility in grant making, potential to lower overhead costs. At the beginning of 2020, should the Institute elect to extend the Trust, the portfolios could then either continue to be managed as is, or might be managed as a unitized portfolio. The Trust will produce a memorandum by April 30, on both the pros and cons of merging the Memorial Trust into the endowment of the Institute.

Thanks for the acknowledgement of the Trust and its work. We will continue to work hard to maintain a large manifest of activity with lean management. Our minds and hearts are fully committed to the vision. We are grateful for the opportunity, resources, talent, and goodwill.